



WILLIAM J. HENGEMIHLE

Managing Director
LECG, LLC
1255 Drummers Lane
Suite 320
Wayne, PA 19087
(610) 254-4700
bhengemihle@lecg.com

PROFESSIONAL SUMMARY

Mr. Hengemihle is a Managing Director with LECG, LLC. Prior to joining LECG, Mr. Hengemihle was a founder and the president of Advanced Analytical Solutions, Inc., a management consulting firm specializing in the resolution of complex environmental disputes and the recovery of environmental restoration costs. He is commonly engaged by PRP groups to serve as an arbiter or mediator of liability and allocation disputes, and has successfully resolved cost allocation problems for landfills, drum disposal sites, waterways, waste oil recovery sites, hazardous waste treatment facilities and various other CERCLA sites. These assignments have involved PRP investigation, site history reconstruction, transactional database development, position paper and expert report evaluation, cause/effect analysis, environmental forensics and damages and financial analysis. In addition, Mr. Hengemihle has served as an expert witness in several CERCLA contribution actions. He has provided an allocation analysis for more than 75 Superfund sites located throughout the United States.

EDUCATION

- B.S., Earth Science/Geology, Millersville University of Pennsylvania, Millersville, PA, (b) (6)
- Master of Business Administration, University of Denver, Denver, CO (b) (6)

TRIAL AND HEARING TESTIMONY

United States v. Aircraft Services International, Inc. et al., E.D. Ark., 2000; testimony addressed the reasonableness and fairness of an allocation among private and federal PRPs that allegedly generated waste oil disposed at multiple sites requiring cleanup under CERCLA.

United States v. Atlas Minerals and Chemicals, Inc. et al., E.D. Pa., 1993-1994; testimony addressed the allocation of landfill cleanup costs among industrial waste and municipal waste generators.

Browning-Ferris Industries of Illinois, Inc. v. Richard Ter Matt, et al., N.D. Ill., 1998; testimony concerned the allocation of landfill cleanup costs among owners, operators, generators and transporters.

In Re: Head of Hylebos Wood Debris Site, JAMS Binding Arbitration, Washington; testimony provided a recommended allocation of sediment investigation costs among multiple forest products companies.

**REPRESENTATIVE PROJECTS INVOLVING ARBITRATION,
MEDIATION AND EXPERT SERVICES**

Thea Foss Waterway, Commencement Bay NPL Site. Arbitration and mediation services are currently being provided to a group of approximately 60 owners and operators of upland properties that allegedly discharged materials to a commercial waterway that is the subject of remedial action under CERCLA. The arbitration process required that historical discharges of hazardous substances to the waterway be investigated and assessed for

nearly 1,000 upland and in-water properties spanning an operating time period in excess of 100 years. The allocation method is based primarily upon the cause and effect relationships between waste discharge quality and the cost of sediment investigation and remedial action. Based upon the preliminary arbitration determinations and the results of subsequent mediation proceedings, a conditional settlement has been reached among the parties. As an outcome of the settlement process, EPA offered to waive approximately \$7.5 million in past and future costs to partially compensate the settling parties for orphan shares of liability. Comprehensive cash-out and site work agreements are currently in the final stages of negotiation. A related mediation process designed to resolve the share of liability to be assigned to the Washington State Department of Natural Resource is ongoing.

Former Tacoma Metals Site. Currently serving as a mediator to a group of potentially liable parties ("PLPs") responsible for a Washington Model Toxics Control Act ("MTCA") investigation and cleanup at a former wood treatment and scrap metal reclamation facility. Conditional settlements are in various stages of finalization.

Bayonne Barrel Site. Currently serving as an allocation neutral for a large group of PRPs alleged to be responsible for cleanup costs at an abandoned drum reconditioning facility in Newark, New Jersey. This assignment requires that drum transactions be compiled based upon a transactional database of business records and responses to an allocation questionnaire.

In Re: South 8th Street Pilot Project. On behalf of approximately 40 cooperating PRPs for this Superfund Reform Act "Pilot Project," a cost allocation model, including a determination of the "orphan" share for the site, was prepared using allocation questionnaire responses. The allocation model was accepted by the entire PRP group for settlement purposes. The allocation formula considered waste volume, strength-of-evidence factors, cause/effect relationships and the applicability of various affirmative defenses under CERCLA. More than 100 settlements with third party generators were achieved using the allocation methodology. Expert services are currently being provided to support claims against a limited number of non-settlers.

Gibson Environmental Site. As the designated neutral for a waste volume allocation process, dispute resolution services are being provided to a group of waste oil generators that are performing site investigation and removal actions. Recommended resolutions to waste accounting and volume attribution disputes have been adopted by the PRP group for interim allocation purposes. Responsibilities for this site also involve the oversight of database development and PRP investigation tasks.

PRC Patterson Site. On behalf of a large and diverse group of waste generators, a settlement model was designed and implemented for purposes of obtaining financial contribution toward site cleanup costs. The model was based upon a database analysis of more than 100,000 waste-in transactions. A significant aspect of the database analysis required that waste from orphan transporters be reallocated to underlying waste generators. In support of settlement negotiations, a wide variety of arguments were evaluated, including parent company liability, service station dealer exemption and successor liability. The model has resulted in settlements with more than 200 PRPs.

Confidential Mining District Site. A mediation process was supported through the development on an allocation model that assigned responsibility to mineral processing facilities based upon cost causation factors and stand alone cost analysis. The case settled prior to trial.

Hylebos Wood Debris Site, Commencement Bay Nearshore/Tideflats NPL Site. In connection with a binding arbitration, expert testimony was provided in support of a recommended allocation of responsibility among multiple forest products companies alleged to be responsible for the cost of investigating aquatic sediments impacted by wood debris. This testimony ultimately provided the primary basis upon which the arbitrator allocated site investigation costs.

Confidential Waste Oil Recovery Facility. For a group of waste generators, neutral fact-finding and cost allocation services are being provided for a former waste reclamation facility. The allocation method developed for the site incorporates both waste volume and waste toxicity considerations, including the cause/effect relationships between PCB-bearing wastes and incremental soil remediation costs. In connection with this ongoing assignment, a comprehensive witness interview process was undertaken and an extensive database of waste shipments was developed to support the identification of PRPs. The preliminary allocation report is being used as the basis for an ongoing settlement process.

Niagara Mohawk Power Corp. v. Beazer East. An allocation based upon cost causation criteria was developed for harbor sediments, sewer lines and upland soils at the Harbor Point Site in Utica, New York. Allocation factors included waste volume, toxicity, disposal location and time period of disposal. The allocation was based upon a detailed review of site operating practices for multiple parties spanning the time period 1849 through 1983.

PACCAR v. United States. On behalf of an operator of the Eagle Harbor Superfund Site near Seattle, Washington, a cost allocation model was developed based upon Aceto-based "arranger" claims and FMC-based "operator" claims against various federal agencies that were involved with the site during World War II. As an alternative to a simple temporal-based allocation, a cost causation model was developed based upon the relationship between operator activities and resulting environmental conditions and remedial actions. The case settled prior to trial, following the preparation of an expert report and subsequent testimony.

Coeur d'Alene Mining District. On behalf of a current and former owner and operator of various mining and mineral processing facilities, determined whether a basis existed or could be developed for apportioning liability in a government cost recovery case. An apportionment methodology was developed that considered ore production, location of tailings discharge, and cost causation relationships.

Cadillac-Fairview v. Dow Chemical. On behalf of a former operator of the Del Amo Pits Site in Torrence, California, a cause/effect model was developed for allocating cleanup costs among successive site operators, including both private PRPs and the United States. As an alternative to a simple volume-based allocation, the cause/effect model analyzed the causative relationship between the types of materials deposited in the pits over time and the resulting environmental conditions and cleanup costs. The case settled prior to trial, following the preparation of an expert report and associated testimony.

Asarco v. Blue Tee Corp. For the current owner of two zinc oxide manufacturing facilities, an allocation based upon the cause and effect relationship between manufacturing residues and facility remediation costs was developed. The case settled prior to trial, following the preparation of an expert report and associated testimony.

Southern Pacific v. United States. On behalf of the owner of a used oil reclamation facility, an allocation model was developed to support contribution claims against 40 PRPs. The model was successfully used to settle contribution claims against all notified PRPs for the site, including federal PRPs. The allocation was based upon an extensive factual investigation, including the development of a waste-in database and numerous witness interviews.

United States v. Spaulding Composites, Inc. For a generator of waste disposed of at the Caldwell Trucking Site in New Jersey, determined that the environmental harm at the site was divisible based upon the existence of distinct harms and a reasonable basis for apportioning liability for single harms. An expert report was prepared to assess the impact of waste stream constituents on site remedy costs and to provide a basis for determining divisibility and apportioning liability for CERCLA response costs. Trial is pending.

Browning-Ferris Industries of Illinois, Inc. v. Richard Ter Maat. On behalf of a plaintiffs group consisting of a site operator, a waste transporter and numerous waste generators, an allocation model based upon cost causation

criteria was developed for resolving responsibility among successive operators at the MIG/DeWane Landfill in Belvedere, Illinois. An expert report, deposition testimony and testimony at trial were provided. Consistent with the expert report, the court allocated interim site closure costs on the basis of cost causation principles and assigned the recommended class shares for generators, transporters, owners and operators.

United States v. Atlas Minerals and Chemicals. On behalf of a group of approximately 30 industrial and municipal waste generators, an allocation model was developed and accepted by the PRP group for settlement purposes. As an alternative to a straight volume-based allocation, the allocation model considered the differential remedial costs associated with municipal versus industrial hazardous wastes, which later became the subject of expert testimony at trial. Ultimately, the court rejected a straight volume-based allocation among the generators and allocated separate shares to municipal and hazardous waste generators.

In Re: Sealand Restoration Site; Lisbon, New York. As a neutral allocator engaged by a group of PRPs and USEPA, a waste-in database and allocation formula were prepared for a waste oil processing and disposal site. USEPA Region II used the database and allocation analysis for the implementation of a large scale de minimis settlement for the site. A final allocation for the site is being developed pursuant to an ongoing ADR process.

Town of Oyster Bay v. Occidental Chemical Corporation. For a group of PRPs that were sued by the owner/operator of the Syosset Landfill in Long Island, New York, a waste-in database was prepared for more than 100,000 waste disposal transactions based on records dated from 1933 through 1976. An expert report and deposition testimony have been provided.

Transtech Industries v. A&Z Septic Clean. On behalf of the owner of the Kin-Buc Landfill in Edison, New Jersey, a waste-in database consisting of over 75,000 accounting records was developed for purposes of establishing liability for several hundred defendants to a contribution action. The database and associated allocation of responsibility has been used for achieving final settlements with approximately 300 parties.

The Glidden Company v. American Color and Chemical. On behalf of both plaintiffs and a large group of defendants, a waste-in database was prepared for PRP identification and allocation purposes. The database has been used to support the joinder of more than 100 additional defendants, as well as a pending ADR process designed to achieve global settlement of the litigation. Information contained in the database has also been used by USEPA for enforcement purposes.

United States v. Western Processing. For a group of generators, a waste-in database and cause/effect allocation model were developed for resolving contribution litigation among approximately 30 PRPs. The case settled prior to trial, following the preparation of an expert report and deposition testimony. The database was later utilized by the court for resolving fourth-party contribution claims.

Other sites for which Mr. Hengemihle has conducted cost allocation analyses include:

Spickler Landfill, WI
Stringfellow Acid Pits, CA
Lone Pine Landfill, NJ
Lowry Landfill, CO
United Steel Drum Site, IL
Global Landfill, NJ
Waste, Inc. Site, IN
Grand Calumet River, IN

Murray Smelter, UT
Parr Richmond Site, CA
PJP Landfill, NJ
Chem-Trol Site, NY
Chatham Dump, CA
PRC Patterson, CA
Ninth Ave. Dump, IN
West Cargo-MIA, FL

Di-Chem Site, IA
Batavia Landfill, NY
Pfohl Bros. Landfill, NY
Hartley & Hartley Site, MI
Buzby Bros. Landfill, NJ
Combe Fill North, NJ
Gibson Refining, CA
Dallas Gas & Fuel Co., TX

The cases listed above have required an investigation, analysis and resolution of various factual, technical and legal disputes, including the following:

- Causal relationships between waste types and environmental risks or cleanup costs,
- Waste trans-shipment,
- Economic benefits or damages resulting from site cleanup or site use,
- Divisibility of harm,
- Applicability of the petroleum exclusion, useful product and other defenses,
- Liability of successor and parent corporations,
- Degree of care and cooperation,
- Strength-of-evidence,
- Extrapolation of waste quantities for undocumented time periods,
- Allocation of orphan shares,
- Fate and transport of hazardous substances, and
- Presence/absence of CERCLA-defined hazardous substances.

Specific tasks that have been successfully completed in support arbitration or mediation engagements include the following:

- Design and development of allocation questionnaires,
- Witness location and interviews,
- Waste-in database or site nexus report development,
- Review and analysis of position papers and rebuttal papers,
- Design and implementation of de minimis settlements,
- Identification and application of "equitable factors,"
- Assessment of reports authored by scientific experts, and
- Development of preliminary and final allocation reports and consideration of participant comments.